Montana Board of Oil and Gas Conservation Environmental Assessment

Operator: <u>EOG Resources, Inc.</u>
Well Name/Number: Stateline 9-0201H
Location: Lot 4 Section 2 T28N R59E
County: Roosevelt , MT; Field (or Wildcat) Wildcat
Air Quality
(possible concerns)
Long drilling time: No, 25-35 days drilling time.
Unusually deep drilling (high horsepower rig): No, triple derrick rig 1000 HP to drill a single lateral
Bakken Formation horizontal well test, 15,785'MD/10,333'TVD.
Possible H2S gas production: Slight
In/near Class I air quality area: No Class I air quality area.
Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under rule 75-
<u>2-211.</u>
Mitigation:
X Air quality permit (AQB review)
X Gas plants/pipelines available for sour gas
Special equipment/procedures requirements
Other:
Comments: Gas pipeline system in the area to take associated gas.
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Water Quality
(possible concerns)
Salt/oil based mud: Yes to intermediate casing string hole to be drilled with oil based invert drilling
fluids. Horizontal laterals will be drilled with oil based invert drilling fluid. Surface casing hole to be
drilled with freshwater and freshwater mud. High water table. No high water table anticipated.
High water table: No high water table anticipated. Surface drainess leads to live water No closest drainess is an orthogonal drainess. Bad Bank Crask
Surface drainage leads to live water: No, closest drainage is an ephemeral drainage, Red Bank Creek,
about 1/4 of a mile to the southwest from this location We see the southwest from this location when 1/4 of a mile to the west, shout 1/4 of a mile to the west, sho
Water well contamination: No, closest water wells are about 1/4 of a mile to the west, about 1/4 of a mile to the couthwest and 3/4 of a mile to the north from this location. Don'th of those wells are 47' to 324' in
to the southwest and ¾ of a mile to the north from this location. Depth of these wells are 47' to 324' in depth. Surface casing will be drilled with freshwater, casing set to 1859' and cemented back to surface to
protect ground waters and will cover the Fox Hills aquifer.

Porous/permeable soils: No, sandy silty clay soils.
Class I stream drainage No, Class I stream drainages.
Mitigation:
X Lined reserve pit
X Adequate surface casing
Berms/dykes, re-routed drainage
Closed mud system
Off-site disposal of solids/liquids (in approved facility)
Other:
Comments: 1859' surface casing well below freshwater zones in adjacent water wells. Also,
covering Base of the Fox Hills aquifer. Surface hole will be drilled with freshwater and freshwater muds
to 1859'+. Steel surface casing will be run and cemented to surface from 1859'.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: None anticipated.

High erosion potential: No high erosion potential. Location will require a small cut, up to 5.8' and small fill, up to 4.8', required.

Loss of soil productivity: _Slight, location to be restored after drilling well if well is nonproductive. If productive unused portion of wellsite will be reclaimed.

Unusually large wellsite: No, location is a large wellsite, 330'X450' in size.

Damage to improvements: Slight, surface use is a cultivated field.

Conflict with existing land use/values: Slight

Mitigation

- __ Avoid improvements (topographic tolerance)
- __ Exception location requested
- X Stockpile topsoil
- ___ Stream Crossing Permit (other agency review)
 X Reclaim unused part of wellsite if productive
- __ Special construction methods to enhance reclamation
- X Other: Requires DEQ General Permit for Storm Water Discharge Associated with

Construction Activity, under ARM 17.30.1102(28).

Comments: Access will be over existing county gravel roads and existing farm driveway. About 264'of new access road will be built off the existing farm driveway into this location. Oil based drilling fluids will be recycled. Freshwater surface hole cuttings will be buried on site. Oil based drill cuttings will be buried in the lined reserve pit. Completion pit fluids will be hauled to a permitted Class II saltwater disposal. Pit will be backfilled when dry. No concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Residences about 1/4 of a mile to the southwest, 5/8 of a mile to the southeast and about 1 mile to the north from this location.

Possibility of H2S: _Slight to none.

Size of rig/length of drilling time: Triple drilling rig 25 to 35 days drilling time.

Mitigation:

<u>_X</u>	Proper BOP	equipi	nent
	Topographic	sound	barriers

- __ H2S contingency and/or evacuation plan
- __ Special equipment/procedures requirements

__ Other:

Comments: Adequate surface casing cemented to surface with working BOP stack should mitigate any problems. Noise should not be a problems, sufficient distance from residence to rig should mitigate this.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified in the area.

Proximity to recreation sites: None identified in the area.

Creation of new access to wildlife habitat: None

Conflict with game range/refuge management: None

Threatened or endangered Species: Threatened or endangered species listed in Roosevelt county by USFW service are Pallid Sturgeon, Piping Plover, Interior Lease Tern and Whooping Crane.

Mitigation:

- __ Avoidance (topographic tolerance/exception)
- _X Other agency review (DFWP, federal agencies, DSL)
- Screening/fencing of pits, drillsite

Other: Comments: Private cultivated surface lands not close to live water. No concerns.
Historical/Cultural/Paleontological (possible concerns) Proximity to known sites None identified. Mitigation avoidance (topographic tolerance, location exception) other agency review (SHPO, DSL, federal agencies) Other: Comments: Private cultivated surface lands. No concerns
Social/Economic (possible concerns) Substantial effect on tax base Create demand for new governmental services Population increase or relocation Comments: Wildcat Bakken Formation single lateral horizontal oil well. No concerns.
Remarks or Special Concerns for this site Drill a wildcat single lateral Bakken Formation horizontal well test, 15,785'MD/10,333'TVD.
Summary: Evaluation of Impacts and Cumulative effects No long term impacts expected, only some short term impacts will occur.
I conclude that the approval of the subject Notice of Intent to Drill (does/does not) constitute a major action of state government significantly affecting the quality of the human environment, and (does/does not) require the preparation of an environmental impact statement. Prepared by (BOGC): /s/Steven Sasaki (title:) Chief Field Inspector
Other Persons Contacted:
(Name and Agency) Montana Bureau of Mines and Geology, Groundwater Information Center website. (subject discussed) Water wells in Roosevelt County

(date)
August 4, 2010
US Fish and Wildlife, Region 6 website
(Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA
COUNTIES, Roosevelt County
(subject discussed)
August 4, 2010
(date)
If location was inspected before permit approval:
Inspection date:
Inspector:
Others present during inspection: